




ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17 September 29, 2015


PATRICK O'BAWA
ACTING EXECUTIVE OFFICER

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September 08, 2015

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF EXTENSION TO AGREEMENT FOR CONCESSION
CAFETERIA SERVICES AT HIGH DESERT REGIONAL HEALTH CENTER
WITH HIGH RISE GOODIES RESTAURANT GROUP, INC., DBA TRIMANA
(FIFTH SUPERVISORIAL DISTRICT)
(4 VOTES)**

Mitchell H. Katz, M.D.
Director

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patient-centered, cost-effective
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residents through direct services at
DHS facilities and through
collaboration with community and
university partners.*



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SUBJECT

Approval to execute an extension to an Agreement with High Rise Goodies Restaurant Group, Inc., DBA Trimana to extend the term of the Agreement for concession cafeteria services at High Desert Regional Health Center.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Health Services (Director), or his designee, to execute an Amendment to Agreement No. H-704443 with High Rise Goodies Restaurant Group, Inc., DBA Trimana (Trimana), effective upon Board approval to: (i) extend the term for the period October 1, 2015 through September 30, 2016, with no change in rates, for an estimated annual cost of \$56,080 for the initial extension period, and with an option to extend the term of the Agreement for up to an additional one-year period, on a month-to-month basis, through September 30, 2017; and (ii) update standard terms and conditions.
2. Delegate authority to the Director, or his designee, to execute future Amendments to: (i) extend the term of the Agreement for up to an additional one-year period, on a month-to-month basis, at an estimated annual cost of \$56,080; and, if necessary, (ii) increase the allocations for optional services, comprised of incidental patient nourishments, special functions and volunteer

meals, by no more than five percent of the estimated annual cost (\$2,804) for each extension period.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will allow the Director to execute an Amendment to extend the term of Agreement H-704443 with Trimana for one-year, with an option to extend up to an additional one-year period, on a month-to-month basis. The extension of this agreement will continue to provide on-site concession cafeteria services and incidental patient nourishments, special function and volunteer meals at High Desert Regional Health Center (High Desert RHC), formerly known as High Desert Health System Multiservice Ambulatory Care Center (HDHS MACC). The term will be extended through September 30, 2016, and with an option to extend the term of the Agreement for up to an additional one-year period, on a month-to-month basis through September 30, 2017. Additionally, the standard terms and conditions will be updated.

Approval of the second recommendation will enable the Director to extend the Agreement for up to an additional one-year period, on a month-to-month basis, at an estimated annual cost of \$56,080, and if needed, increase the allocations for optional services, comprised of incidental patient nourishments, special function and volunteer meals, by no more than five percent of the estimated annual cost (\$2,804).

The concession cafeteria provides on-site food services to patients, volunteers and staff at High Desert RHC. Concession cafeteria services enhance patient experience and patient satisfaction through the convenient availability of food for patients and the family members of High Desert RHC patients.

The Agreement also provides employees with a convenient on-site option for food service. Although the new High Desert RHC site is more centrally located within the City of Lancaster than the previous location, food service options in the immediate vicinity of the facility are still limited. It is not feasible for most employees to leave High Desert RHC to obtain food services within a standard 30 minute meal break.

The annual cost of \$56,080 includes a subsidy of \$3,260 per month to Trimana, resulting in a total annual amount of \$39,120. Although concession cafeteria services usually generate revenue, the Department of Health Services (DHS) continues to recognize the need to subsidize Trimana since the overall sales volume remains relatively low. DHS believes the subsidy is warranted in support of the financial feasibility of the Agreement, as well as to address general increases in food and supply costs which will occur over the term period. Therefore, the subsidy will be maintained at the existing level established in the Agreement.

Under Government Code Section, 25536, this Agreement requires a four-fifths vote of the Board of Supervisors.

Extending the Agreement will enable continuation of concession cafeteria services to patients, visitors and employees without interruption. Within the extended term, DHS will conduct a competitive solicitation process for a longer-term concession cafeteria services and further assess the need to continue subsidizing the service.

Implementation of Strategic Plan Goals

The recommended action supports Goal 2, Community Support and Responsiveness and Goal 3,

Integrated Services Delivery, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The annual cost for these services is \$39,120, and an estimated \$6,960 for the provision of incidental patient nourishments, special function and volunteer meals for a total of \$46,080. An additional \$10,000 contingency is budgeted each year for County-owned cafeteria equipment replacement purchases, if necessary. The potential total expenditure for cafeteria services through September 30, 2016 is \$56,080.

A potential increased expenditure of up to \$2,804, which is a five percent increase in the estimated annual cost, exists for each year of the term if service volume increases for incidental patient nourishments, special function and volunteer meals. If utilized during the contract term through September 30, 2016, the maximum amount of the five percent increase is \$2,804.

Funding is included in the DHS Fiscal Year 2015-16 Adopted Budget and will be included as a continuing appropriation in future fiscal years' budget, as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

DHS contracted with Trimana to provide on-site concession cafeteria services at HDHS MACC beginning in September 2010, and the existing Agreement will expire September 30, 2015.

On June 23, 2014, the HDHS MACC was relocated to a new facility and renamed High Desert RHC. Trimana continued to provide uninterrupted concession cafeteria services under this Agreement at the new site. There have been no Amendments to this Agreement since its inception.

Trimana provides hot breakfast and lunch service Monday through Friday. Trimana also provides catering services for special functions, such as the annual volunteer luncheon, bi-monthly High Desert RHC Advisory Council meetings, and provides as-needed nourishment items for patients undergoing lengthy medical procedures. Service beyond the specified hours and days is supplied by the contractor through vending machines with a variety of foods, in compliance with the Los Angeles County Food Policy, approved by the Board on August 8, 2006 and last amended on August 18, 2009.

The Agreement includes the latest Board policies. County Counsel will review and approve the Amendment as to use and form prior to execution. Concession cafeteria services Agreements are subject to the County's Living Wage Program (County Code Charter 2.201) and Trimana will comply with the requirements of that program, as applicable.

CONTRACTING PROCESS

On October 9, 2009, DHS issued a Request for Statement of Interest (RFSI) for concession cafeteria services at HDHS MACC. Through the RFSI process, no viable firms were identified who were willing to provide this service without a County-paid subsidy. In February 2010, four firms were contacted to inquire about the subsidy amount required. Trimana was selected because they agreed to provide the requested service with the lowest subsidy.

Within the extended term, DHS will develop and administer a competitive solicitation for a longer-term concession cafeteria Agreement and further assess the need to continue subsidizing this service.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will ensure the continuation of concession cafeteria services at High Desert RHC.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz". The signature is written in a cursive, flowing style.

Mitchell H. Katz, M.D.

Director

MHK:rf

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors